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AMENDED IN ASSEMBLY SEPTEMBER 9, 2003  
AMENDED IN ASSEMBLY SEPTEMBER 2, 2003  
AMENDED IN ASSEMBLY AUGUST 25, 2003  
AMENDED IN SENATE APRIL 22, 2003

**SENATE BILL**

**No. 926**

**Introduced by ~~Senator Knight~~ *Senators Knight and Ashburn***  
(Principal coauthor: Assembly Member Parra)  
**(~~Coauthors: Senators Denham, Ducheny, McPherson, and~~**  
**~~Morrow~~)**

(~~Coauthors: Assembly Members Aghazarian, Bates, Berg, Cogdill,~~  
~~Hancock, Maldonado, Maze, Montanez, Samuelian, Vargas,~~  
~~Wiggins, Wolk, and Wyland~~)

February 21, 2003

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~~An act to add Chapter 5 (commencing with Section 13999) to Part 4.7 of Division 3 of Title 2 of, and to add and repeal Chapter 4~~ *An act to amend Sections 63010, 65053.5, 65053.6, 65302, and 65560 of, and to add and repeal Chapter 4 (commencing with Section 13998) of Part 4.7 of Division 3 of Title 2 of, the Government Code, and to repeal Part 14 (commencing with Section 37980) of Division 24 of the Health and Safety Code, and to add Article 8 (commencing with Section 5079.70) to Chapter 1.1.5 of Division 5 of the Public Resources Code; amend Section 8 of Chapter 971 of the Statutes of 2002 relating to economic development, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.*

## LEGISLATIVE COUNSEL'S DIGEST

SB 926, as amended, Knight. Economic development.

(1) Existing law establishes the California Defense Retention and Conversion Council in the ~~Technology, Trade, and Commerce Agency~~ *Department of Housing and Community Development in the Business, Transportation and Housing Agency* with specified members and duties related to defense retention and conversion and military base reuse activities in the state. ~~The council is authorized to apply for grants and seek contributions from private industry to fund its operations and is required to actively solicit private funds for specified purposes.~~

~~Existing law also establishes in the agency requires the Office of Military Base Retention, which is required and Reuse, in the Technology, Trade, and Commerce Agency, to provide staff support to the council.~~

~~This bill would change the name of the Office of Military Base Retention to the Office of Military Support and transfer this office and the California Defense Retention and Conversion Council to the State and Consumer Services Agency until January 1, 2005, and then to the Business, Transportation and Housing Agency. It would authorize the State and Consumer Services Agency or the Business, Transportation and Housing Agency, as appropriate, to enter into an interagency agreement with any other state agency as deemed necessary to administer these programs. This bill council. The Technology, Trade, and Commerce Agency was abolished as of January 1, 2004.~~

*This bill would repeal the provisions establishing and governing the California Defense Retention and Conversion Council. It would, until January 1, 2007, establish the Office of Military and Aerospace Support in the Business, Transportation and Housing Agency, and set forth its duties and authority with respect to state and local defense retention and conversion. It would provide that the Office of Military and Aerospace Support would be in the charge of a director who would be appointed by the Governor.*

~~This bill also would authorize the office, in addition to the council, to seek private funds for the operations of the office and the council. The bill would establish the Military and Aerospace Support Account in the Special Deposit Fund in the State Treasury and require that any private funds the council or the office accepts be deposited in that account. The bill would authorize, upon the approval of the secretary of the appropriate agency Secretary of Business, Transportation and Housing, the office to expend moneys in the account, which would be~~

continuously appropriated to the office, without regard to fiscal years, for specified purposes of the office ~~and the council~~, thereby making an appropriation.

~~(2) Existing law requires, subject to the appropriation of funds for this purpose, the Technology, Trade, and Commerce Agency to implement a space industry development program. The agency is required to contract with a nonprofit corporation to assist in its administration of these activities, according to specified criteria, as well as serve as the California Spaceport Authority. The corporation is required to issue solicitations for the existing California Space Industry Competitive Grant Program and evaluate grant proposals with the assistance of an impartial review panel to be established by the corporation, according to specified criteria. The Secretary of Technology, Trade, and Commerce is required to award grants based upon these criteria.~~

~~This bill would refer to the above-described programs as the space enterprise development program and the California Space Enterprise Competitive Grant Program, transfer these programs to the Business, Transportation and Housing Agency, and make conforming and other technical changes.~~

~~(3) Existing law establishes in the Technology, Trade, and Commerce Agency, the California Main Street Program to provide technical assistance and training for small cities' government, business organizations, merchants, and property owners to accomplish community and economic revitalization and development of older central business districts and neighborhoods.~~

~~This bill would transfer this program to the Office of Historic Preservation of the Department of Parks and Recreation and revise the legislative committees that may provide assistance through their chairpersons.~~

~~This bill would appropriate \$126,000 from the General Fund to the Office of Historical Preservation to employ a program manager for the California Main Street Program.~~

~~(4) Existing law requires the state to recognize a single local base retention entity for each active military base in the state if resolutions acknowledging the entity as the single local base retention entity are adopted by the affected local agencies and forwarded to the California Defense Retention and Conversion Council by July 1, 2002. A local entity awarded specified grant moneys prior to January 1, 2002, for a specified military installation, is recognized as the single local base~~

*retention entity. Local agencies are authorized to establish a joint powers authority for these purposes if a single local base retention entity cannot otherwise be identified or established. If the required resolutions are not adopted by January 1, 2002, and no local base retention entity has otherwise been recognized, the council is required to hold public hearings and recognize a single local base retention entity for each military base or recommend legislation or action by the local agency formation commission if necessary.*

*This bill would include United States Department of Defense installations within these provisions. It would delete references to the council and instead refer to the Office of Military and Aerospace Support. The bill would require the office to recognize a local retention authority for each active military installation, as defined, in the state, if a resolution has been adopted by entities within an identified affected local government, as defined, and forwarded to the office by October 1, 2004, and provide for recognition of an affected local government that has been awarded grant moneys prior to January 1, 2004. It would authorize the designation or establishment of a joint powers authority by multiple affected local governments under these provisions without requiring that a retention authority cannot be otherwise identified or established. It would also require the office to recognize a local retention authority for each military installation if no resolutions are adopted by October 1, 2004, and would delete the requirement for the office to hold public hearings in this regard, and to recommend legislation or action by a local agency formation commission.*

*The Budget Act of 2003 appropriates \$180,000 to the Department of Housing and Community Development for military base reuse and retention.*

*This bill would provide instead that this sum be appropriated to the ~~Department of General Services~~ Business, Transportation and Housing Agency for the implementation of the Office of Military and Aerospace Support operations.*

~~(5)~~

*(3) The Bergeson-Peace Infrastructure and Economic Development Bank Act authorizes the California Infrastructure and Economic Development Bank to make loans and provide other assistance to public and private entities for various types of projects with respect to public development facilities, as defined, among other things. The activities of the bank under these provisions are funded from the California*



*Infrastructure and Economic Development Bank Fund, which is continuously appropriated for these purposes.*

*This bill would include within the definition of “public development facilities” for these purposes, military infrastructure, including specified components, and subject to specified conditions. By providing for a new use of continuously appropriated funds, this bill would make an appropriation.*

*(4) The Planning and Zoning Law requires that a city or county general plan consist of various elements, including, among other things, a land use element that considers, among other things, the impact of new growth on military readiness activities carried out on military bases, installations, and operating and training areas, when proposing zoning ordinances or designating land uses covered by the general plan for land or other territory adjacent to those military facilities or underlying designated military aviation routes and airspace. Existing law requires that cities and counties address military impacts based on information that the military provides.*

*This bill would in addition require cities and counties to address military impacts based on information from other sources.*

*(5) The Planning and Zoning Law with respect to the open-space element, defines open-space land to include areas adjacent to military installations, military training routes, and restricted airspace that can provide buffer zones to military activities and complement the resource value of the military lands.*

*This bill would revise the definition of open-space land to instead include open space in support of the mission of military installations that comprises areas that are adjacent to military installations, military training routes, and underlying restricted airspace that can provide additional buffer zones to military activities and complement the resource values of the military lands.*

*(6) The Planning and Zoning Law provides that a city or county is not required to comply with the provisions of paragraphs (4) and (5) above until (a) a specified agreement is entered into between the federal government and the state to fully reimburse all claims approved by the Commission on State Mandates and paid by the Controller, and (b) until the city’s or county’s next general plan revision. These provisions become inoperative on the January 1 following the date that the agreement is deemed to be terminated, as specified.*



*This bill would instead provide that a city or county is not required to comply with these provisions until the city or county undertakes its next general plan revision.*

(7) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. Chapter 4 (commencing with Section 13998) is added to Part 4.7 of Division 3 of Title 2 of the Government Code, to read:

~~CHAPTER 4. CALIFORNIA DEFENSE RETENTION AND CONVERSION~~

CHAPTER 4. MILITARY AND AEROSPACE SUPPORT

13998. This chapter shall be known and may be cited as the ~~California Defense Retention and Conversion Act~~. *Military and Aerospace Support Act.*

13998.1. The Legislature finds and declares as follows:

(a) For over half a century, California's industries, universities, businesses, and workers have contributed to our nation's defense, utilizing their capital, talents, and skills to develop and bring to production important new technologies and advanced weapons systems, aircraft, and missiles.

(b) Defense spending in California peaked at sixty billion dollars (\$60,000,000,000) in 1988. Since then, it has decreased by 16 percent with the resulting loss of 126,000 jobs. The Commission on State Finance projected a further 22-percent reduction to thirty-seven billion dollars (\$37,000,000,000) in 1997, with a loss of another 81,000 jobs. California is expected to experience the most severe impact of defense cuts since 1994.

(c) California has experienced four rounds of base closures resulting in the closure or realignment of 29 bases since 1988. Additional bases may be considered for closure in future closure rounds.

1 (d) California lost more federal payroll jobs from its 29  
2 military base closures under rounds one to four, inclusive, than all  
3 of the rest of the states put together. The reduced military payroll,  
4 including military and civilian employees, in California is  
5 approximately 101,000 jobs. About 300,000 private sector  
6 defense industry jobs in California have been lost.

7 (e) California needs a focused, coordinated defense retention  
8 and conversion program within the state in order to protect the  
9 existing defense installations and facilities within the state and to  
10 assist those communities that have experienced an installation's  
11 closing.

12 (f) Currently, there are over 300,000 active duty and civilian  
13 defense personnel in California.

14 (g) The direct Department of Defense expenditures in  
15 California are over ~~thirty billion dollars (\$30,000,000,000)~~  
16 *thirty-six billion dollars (\$36,000,000,000)* for employees,  
17 contracts, and capital investment.

18 (h) California has over 36 major and 25 minor active military  
19 installations.

20 (i) The Department of Defense pays ten million dollars  
21 (\$10,000,000) annually in fees, permits, and licenses within the  
22 state.

23 (j) Having been the leader in the nation's defense effort, the  
24 state must now also assume the role as leader in defending existing  
25 military installations within its borders. That role will require a  
26 coordinated effort to ensure that California promotes the necessity  
27 of existing defense facilities, assist local governments and  
28 organizations in planning retention efforts, and design and  
29 implement a single unified plan for active defense retention efforts  
30 on the federal level.

31 (k) It is the intent of the Legislature that the state's role in  
32 defense retention, conversion, and military support be  
33 consolidated in the Business, Transportation and Housing Agency.

34 13998.2. (a) The Legislature recognizes the potential for  
35 federal legislation to close additional military installations  
36 nationwide. In an effort to be proactive in retaining these facilities  
37 within California that are necessary for the defense of the nation  
38 and to provide for a single, focused defense of these installations,  
39 ~~the California Defense Retention and Conversion Council is the~~



1 *Office of Military and Aerospace Support* is hereby created in the  
2 Business, Transportation and Housing Agency.

3 (b) The Office of *Military and Aerospace* Support shall be in  
4 the charge of a director who is under the direction of ~~The~~ *the*  
5 Secretary of Business, Transportation and Housing. The director  
6 shall be appointed, upon recommendation by the secretary, by the  
7 Governor. The director shall hold office at the pleasure of the  
8 secretary, and shall receive a salary ~~as shall be~~ fixed by the  
9 secretary with the approval of the Department of Personnel  
10 Administration.

11 ~~13998.2.1. (a) All references in this chapter to the Business,~~  
12 ~~Transportation and Housing Agency shall be deemed to mean the~~  
13 ~~State and Consumer Services Agency.~~

14 ~~(b) All references in this chapter to the Secretary of the~~  
15 ~~Business, Transportation and Housing shall be deemed to mean the~~  
16 ~~Secretary of State and Consumer Services Agency.~~

17 ~~(c) This section shall remain in effect only until January 1,~~  
18 ~~2005, and as of that date is repealed, unless a later enacted statute,~~  
19 ~~that is enacted before January 1, 2005, deletes or extends that date.~~

20 ~~13998.3. The California Defense Retention and Conversion~~  
21 ~~Council shall consist of the following members, who shall be~~  
22 ~~appointed as follows:~~

23 ~~(a) The Governor shall have 11 appointees, who may include,~~  
24 ~~but are not limited to, the following:~~

25 ~~(1) The Secretary of Business, Transportation and Housing, or~~  
26 ~~his or her designee.~~

27 ~~(2) The Secretary for Environmental Protection, or his or her~~  
28 ~~designee.~~

29 ~~(3) The Director of Employment Development, or his or her~~  
30 ~~designee.~~

31 ~~(4) The Director of Planning and Research, or his or her~~  
32 ~~designee.~~

33 ~~(5) The Director of the Energy Resources, Conservation and~~  
34 ~~Development Commission, or his or her designee.~~

35 ~~(6) The Director of Transportation, or his or her designee.~~

36 ~~(7) The Director of the Employment Training Panel, or his or~~  
37 ~~her designee.~~

38 ~~(8) The Secretary of the Resources Agency, or his or her~~  
39 ~~designee.~~



1 ~~(9) A member who is an elected public official from local~~  
2 ~~government representing a community with an active defense~~  
3 ~~installation.~~

4 ~~(10) A member who is an elected public official from local~~  
5 ~~government representing a community with a closed defense~~  
6 ~~installation.~~

7 ~~(11) A public member selected at large.~~

8 ~~(b) The Speaker of the Assembly shall have two appointees~~  
9 ~~who may include, but are not limited to, members representing~~  
10 ~~labor, business, or local government.~~

11 ~~(c) The Senate Committee on Rules shall have two appointees~~  
12 ~~who may include, but are not limited to, members representing~~  
13 ~~labor, business, or local government.~~

14 ~~(d) Nonvoting members, to consist of all of the following:~~

15 ~~(1) At his or her option, the President of the University of~~  
16 ~~California, or his or her designee.~~

17 ~~(2) The Chancellor of the California State University, or his or~~  
18 ~~her designee.~~

19 ~~(3) The Chancellor of the California Community Colleges, or~~  
20 ~~his or her designee.~~

21 ~~(4) The Speaker of the Assembly, or his or her designee.~~

22 ~~(5) The President pro Tempore of the Senate, or his or her~~  
23 ~~designee.~~

24 ~~(6) At the request of the Governor, a flag officer, or his or her~~  
25 ~~designee, from each branch of the United States Armed Forces~~  
26 ~~representing a mission or installation in California to serve as a~~  
27 ~~liaison to the council.~~

28 ~~13998.4. (a) The Secretary of Business, Transportation and~~  
29 ~~Housing shall serve as chairperson of the council.~~

30 ~~(b) The Office of Military Support shall provide staff support~~  
31 ~~to the council.~~

32 ~~(c) It shall be the purpose of the council office to provide a~~  
33 ~~central clearinghouse for all defense retention, conversion, and~~  
34 ~~base reuse activities in the state and to interact and communicate~~  
35 ~~with military installations in the state.~~

36 ~~13998.5. The council Office of Military and Aerospace~~  
37 ~~Support shall do all of the following:~~

38 ~~(a) Develop and recommend to the Governor and the~~  
39 ~~Legislature a strategic plan for state and local defense retention~~  
40 ~~and conversion efforts. The plan shall address the state's role in~~

1 assisting communities with potential base closures and those  
2 impacted by previous closures. The ~~council~~ *office* may coordinate  
3 with other state agencies, local groups, and interested  
4 organizations on this strategic plan to retain current Department of  
5 Defense installations, facilities, bases, and related civilian  
6 activities. ~~The opportunity shall be provided for public review and~~  
7 ~~comments on the strategic plan prior to submission to the~~  
8 ~~Governor and the Legislature.~~

9 (b) Conduct outreach to entities and parties involved in defense  
10 retention and conversion across the state and provide a network to  
11 facilitate assistance and coordination for all defense retention and  
12 conversion activities within the state.

13 (c) Help develop and coordinate state retention advocacy  
14 efforts on the federal level.

15 (d) (1) Conduct an evaluation of existing state retention and  
16 conversion programs and provide the Legislature  
17 recommendations on the continuation of existing programs,  
18 including, but not limited to, the possible elimination or alteration  
19 of those programs. This evaluation shall be transmitted to the  
20 Legislature.

21 (2) The ~~council~~ *office* may provide recommendations to the  
22 Legislature on the necessity of new programs for defense retention  
23 and adequate funding levels.

24 (e) Utilize and update the plan prepared by the Defense  
25 Conversion Council as it existed on December 31, 1998, to  
26 minimize California's loss of bases and jobs in future rounds of  
27 base closures. This plan shall include, but not be limited to, all of  
28 the following:

29 (1) Identification of major installations in California.

30 (2) Determination of how best to defend existing bases and  
31 base employment in this state.

32 (3) Coordination *of retention activities* with communities that  
33 may face base closures.

34 (4) Development of data and analyses on bases in this state.

35 (5) Coordination with the congressional delegation, the  
36 Legislature, and the Governor. With the consent of the appropriate  
37 authority, the ~~council~~ *office* may temporarily borrow technical,  
38 policy, and administrative staff from other state agencies,  
39 including the Legislature.

(f) *Serve as the primary state liaison with the Department of Defense and its installations in this state. In order to maximize the mission use of the installations, the Office of Military and Aerospace Support shall assist in resolving any disputes or issues between the Department of Defense and state entities.*

(g) *Review actions or programs by state agencies that may affect or impact Department of Defense installations or the state's military base retention and reuse activities and recommend to the Governor and the Legislature actions that may be taken to resolve or prevent similar problems in the future.*

(h) *Where funds and resources are available, the council office may undertake all of the following activities:*

(1) *Provide a central clearinghouse for all base retention or conversion assistance activities, including, but not limited to, employee training programs and regulation review and permit streamlining.*

(2) *Provide technical assistance to communities with potential or existing base closure activities.*

(3) *Provide a central clearinghouse for all defense retention and conversion funding, regulations, and application procedures for federal or state grants.*

(4) *Serve as a central clearinghouse for input and information, including needs, issues, and recommendations from businesses, industry representatives, labor, local government, and communities relative to retention and conversion efforts.*

(5) *Identify available state and federal resources to assist businesses, workers, communities, and educational institutions that may have a stake in retention and conversion activities.*

(6) *Provide one-stop coordination, maintain and disseminate information, standardize state endorsement procedures, and develop fast-track review procedures for proposals seeking state funds to match federal defense conversion funding programs.*

(7) *Maintain and establish databases in such fields as defense-related companies, industry organization proposals for the state and federal defense industry, community assistance, training, and base retention, and provide electronic access to the databases.*

~~13998.6. (a) The council shall meet at the times and in places it deems necessary, but no less than once a quarter. Whenever possible, meetings shall be held in Sacramento in state facilities.~~

~~(b) Under no circumstances shall the council permit absentee or proxy voting at any of its proceedings. However, a vote by a designee, as provided in paragraphs (1) to (8), inclusive, of subdivision (a), and paragraphs (1) to (5), inclusive, of subdivision (d), of Section 13998.3, shall not be construed to be an absentee or proxy vote under this subdivision.~~

~~(c) Council members may receive reimbursement for travel costs directly related to council attendance if funding is available.~~

~~(d) The council and the Office of Military~~

~~13998.6. (a) The Office of Military and Aerospace Support shall apply for grants and may seek contributions from private industry to fund its operations.~~

~~(e) The council and the Office of Military Support shall~~

~~(b) The office shall actively solicit and accept funds from industry, foundations, or other sources to promote and fund research and development of dual technologies, to identify alternative applications of military technologies, to initiate market research for identifying possible defense conversion products, to establish worker and business training programs, and to operate pilot projects to evaluate and demonstrate useful approaches. These efforts should be coordinated with the regional technology alliances.~~

~~(f) Any private funds the council or the Office of Military Support accepts shall be deposited into the Military Support other sources to support its operations and responsibilities under this chapter.~~

~~(c) Any private funds the office accepts shall be deposited into the Military and Aerospace Support Account, which is hereby established in the Special Deposit Fund in the State Treasury and, notwithstanding Section 13340, is continuously appropriated to the Office of Military Support. The Office of Military Support office. The office may, upon the approval of the Secretary of the Business, Transportation and Housing Agency, expend moneys in the account, without regard to fiscal years, for the purposes specified in subdivisions (d) and (e) of this chapter and for no other purpose. Records of funds received and expenditures made pursuant to this section shall be subject to public disclosure. A report describing the receipt and expenditure of these funds shall be annually submitted to the Department of Finance by June 30 of every year. be submitted to the Department of Finance and the~~

*Assembly Committee on Budget and Senate Committee on Budget and Fiscal Review at least biennially.*

13998.7. In addition to the duties specified in Section 13998.5, the council shall do all of the following:

(a) ~~At the request of a council member and upon majority vote of the council, the council may review actions or programs by state agencies that may affect military base retention and reuse and offer comments or suggest changes to better integrate these actions or programs into the overall state strategic plan required pursuant to subdivision (a) of Section 13998.5.~~

(b) ~~The council~~ 13998.5, *the office* shall prepare a study considering strategies for the long-term protection of lands adjacent to military bases from development that would be incompatible with the continuing missions of those bases. The study shall include the effects of local land use encroachment, environmental impact considerations, and population growth issues. The study shall recommend basic criteria to assist local governments in identifying lands where incompatible development may adversely impact the long-term missions of these bases. The study shall also identify potential mechanisms, including recommendations for changes in law at the local or state level, to address these issues. In conducting this study, ~~the council~~ *office* may use the Naval Air Station at Lemoore and Edwards Air Force Base as case studies.

~~The council shall hold public hearings on this study, including at least one in the vicinity of either Lemoore or Edwards. Notwithstanding Section 7550.5 of the Government Code, the council shall prepare and submit to the Governor and the Legislature by November 30, 2000, a report on this study with any recommendations.~~

13998.8. The Business, Transportation and Housing Agency with input and assistance from ~~the council office~~, shall establish a ~~Defense Retention~~ *Military Support* Grant Program to grant funds to communities with military bases to assist them in developing a retention strategy. The agency may use grant criteria similar to those for existing defense conversion grant programs as a basis for developing the new grant program. To discourage multiple grant applications for individual defense installations in a region, the criteria shall be drafted to encourage a single application for grant funds to develop, where appropriate, a single, regional defense

1 retention strategy. The structure, requirements, administration,  
2 and funding procedures of the grant program shall be submitted to  
3 the Legislature for review at least 90 days prior to making the first  
4 grant disbursement. The agency may make no grant award without  
5 the local community providing at least 50 percent or more in  
6 matching funds or in-kind services, *with at least 50 percent of that*  
7 *match being in the form of funding.*

8 13998.9. The Business, Transportation and Housing Agency  
9 shall adopt regulations to implement the programs authorized in  
10 this chapter. The agency shall adopt these regulations as  
11 emergency regulations in accordance with Chapter 3.5  
12 (commencing with Section 11340) of Part 1 of Division 3 of Title  
13 2 of the Government Code, and for purposes of that chapter,  
14 including Section 11349.6 of the Government Code, the adoption  
15 of the regulations shall be considered by the Office of  
16 Administrative Law to be necessary for the immediate  
17 preservation of the public peace, health and safety, and general  
18 welfare. Notwithstanding subdivision (e) of Section 11346.1 of  
19 the Government Code, the regulations shall be repealed within 180  
20 days after their effective date, unless the agency complies with  
21 Chapter 3.5 (commencing with Section 11340) of Part 1 of  
22 Division 3 of Title 2 of the Government Code as provided in  
23 subdivision (e) of Section 11346.1 of the Government Code.

24 13998.10. This chapter shall remain in effect only until  
25 January 1, 2007, and as of that date is repealed, unless a later  
26 enacted statute, that is enacted before January 1, 2007, deletes or  
27 extends that date.

28 ~~SEC. 2.—Chapter 5 (commencing with Section 13999) is added~~  
29 ~~to Part 4.7 of Division 3 of Title 2 of the Government Code, to read:~~

30  
31 ~~CHAPTER 5.—SPACE ENTERPRISE DEVELOPMENT ACT~~

32  
33 ~~13999.—This chapter shall be known and may be cited as the~~  
34 ~~Space Enterprise Development Act.~~

35 ~~13999.1.—For purposes of this act, the following terms have~~  
36 ~~the following meanings:~~

37 ~~(a) “Agency” means the Business, Transportation and~~  
38 ~~Housing Agency.~~

39 ~~(b) “Authority” means the California Spaceport Authority.~~

1 ~~(c) “Date of designation” means the date that the spaceport~~  
2 ~~receives designation by the authority pursuant to Section 13999.3.~~

3 ~~(d) “Governing body” means the governing body of a city,~~  
4 ~~county, city and county, special district, or joint powers authority.~~

5 ~~(e) “Launch” means to place, or attempt to place, a launch~~  
6 ~~vehicle into a ballistic, suborbital, or orbital trajectory, into Earth~~  
7 ~~orbit in outer space, or otherwise into outer space, and also is a~~  
8 ~~means of placing a commercial, civil, or military payload into~~  
9 ~~Earth orbit or beyond, including all activities involved in the~~  
10 ~~preparation of a launch vehicle for flight, including all processing,~~  
11 ~~servicing, and support activities that take place at a launch site or~~  
12 ~~at a California mission control support site for ocean launches. A~~  
13 ~~“launch” begins with the arrival of the launch vehicle or payload~~  
14 ~~at the launch site.~~

15 ~~(f) “Launch site” means a location from which a space launch~~  
16 ~~or operation directly associated with a space launch takes place, a~~  
17 ~~location at which a launch vehicle or its payload, if any, is intended~~  
18 ~~to land, or as defined in the Commercial Space Launch Act (49~~  
19 ~~U.S.C. Sec. 70101 and following). The site includes any~~  
20 ~~right-of-way directly associated with the space launch or reentry~~  
21 ~~operations and all facilities and support infrastructure related to~~  
22 ~~launch, reentry, or payload processing.~~

23 ~~(g) “Launch vehicle” means a vehicle specifically designed~~  
24 ~~and built to operate in or place a payload in the upper atmosphere~~  
25 ~~or outer space. “Launch vehicles” include, but are not limited to,~~  
26 ~~expendable space launch vehicles and reusable launch vehicles.~~

27 ~~(h) “Operation of a launch site” means the conduct of~~  
28 ~~approved safety operations at a launch site to support the launching~~  
29 ~~of vehicles and payloads.~~

30 ~~(i) “Operation of a reentry site” means the conduct of safety~~  
31 ~~operations at a fixed site on Earth at which a reentry vehicle and~~  
32 ~~its payload, if any, is intended to land.~~

33 ~~(j) “Payload” means an object, including, but not limited to, a~~  
34 ~~satellite that a licensed launch site undertakes to place into outer~~  
35 ~~space by means of a launch vehicle, including components of the~~  
36 ~~vehicle specifically designed or adopted to support that activity.~~

37 ~~(k) “Person” means any individual and any corporation,~~  
38 ~~partnership, joint venture, association, or other entity organized or~~  
39 ~~existing under the laws of any state or nation.~~



~~(l) “Reentry” means the return of any launch vehicle that has been placed in a ballistic, suborbital, or orbital trajectory, and its payload, if any, to the Earth. “Reentry” includes all activities involved in the postflight ground operations. A “reentry” ends when a launch vehicle or payload, if any, has completed its descent to Earth and is retrieved.~~

~~(m) “Reentry site” means the location on Earth at which a reentry is intended to occur, as defined in a license issued or transferred by the United States Secretary of Transportation, and any necessary support infrastructure related to reentry or payload recovery.~~

~~(n) “Reusable launch vehicle” means a vehicle that is designed to launch into an orbital or suborbital trajectory, into Earth orbit in outer space, or otherwise into outer space, that returns to Earth and is reused for a subsequent future launch.~~

~~(o) “Secretary” means the Secretary of Business, Transportation and Housing.~~

~~(p) “Spaceport” means an entity that has been designated pursuant to Section 13999.3.~~

~~13999.2.— (a) Subject to the availability of funds appropriated for that purpose, the Business, Transportation and Housing Agency shall implement a space enterprise development program to foster activities that increase the competitiveness of space enterprise in California, including, but not limited to, the commercial use of space, space vehicle launches, space launch infrastructure, manufacturing, applied research, technology development, economic diversification, and business development.~~

~~(b) The agency may contract with other state or private agencies, nonprofit corporations, universities, firms, or individuals for the performance of technical or specialized work, or for services related to space enterprise development programs.~~

~~(c) The secretary shall select a California nonprofit corporation to assist the agency in its administration of space enterprise economic development activities through programs, projects, grants, partnerships, networks, and collaboration. The corporation shall be selected through a solicitation process established by the agency. The solicitation process shall include criteria for selection of the corporation, which shall include, but not be limited to, demonstrated experience in space enterprise and the ability to~~

~~perform space enterprise development activities described in subdivision (d).~~

~~(d) The corporation may perform one or more of the following activities, as determined contractually between the agency and the corporation:~~

~~(1) Serve as the California Spaceport Authority with responsibilities specified in Section 13999.3.~~

~~(2) Pursue grants from the federal government or from private businesses, foundations, or individuals, for California space enterprise activities, including, but not limited to, studies, services, infrastructure improvements and modernization, and defense transition programs, to the extent permitted by law.~~

~~(3) Identify science and technology trends that are significant to space enterprise and the state and act as a clearinghouse for space enterprise issues and information.~~

~~(4) Develop and implement a state strategy for applying and commercializing technology to create jobs, respond to industry changes, and foster innovation and competitiveness in space enterprise.~~

~~(5) Provide information to the secretary relevant to changes in federal, state, and local statutes and regulations that will enhance the development of space enterprise in California.~~

~~(6) Provide information to the secretary regarding the development of laws, regulations, decisions, or determinations affecting the economic and employment impacts of space enterprise in California.~~

~~(7) Provide recommendations to the secretary for appropriate state funding mechanisms and amounts to promote development of space enterprise in California, including education and workforce development.~~

~~(8) Provide recommendations to the secretary in the form of strategic planning documents.~~

~~(9) Review applications for, and promote, the California Space Enterprise Competitive Grant Program established by Section 13999.4.~~

~~(e) (1) The agency and the corporation shall enter into an annual contract specifying the activities to be performed by the corporation.~~

~~(2) Pursuant to the contract, the corporation shall submit to the agency quarterly reports of its activities and finances. The~~

~~quarterly reports shall be of sufficient detail for the agency to determine whether the corporation is in compliance with the annual contract between the agency and the corporation.~~

~~(3) The annual contract shall include conflict of interest requirements developed by the agency.~~

~~(4) Failure of the corporation to comply with the conditions in the annual contract, as evidenced in the quarterly reports and any supplemental monitoring of the corporation by the agency, shall result in the cancellation of the annual contract and deselection of the corporation. Upon the deselection of the corporation, the agency shall utilize the solicitation process set forth in subdivision (c) to select a replacement corporation.~~

~~13999.3. (a) The California Spaceport Authority shall designate spaceports for the operation of launch sites or reentry sites.~~

~~(b) Any city, county, city and county, special district, joint powers authority, or private entity, as appropriate, may apply to the authority for designation as a spaceport.~~

~~(c) (1) The application described in subdivision (b) shall require at least the following information to be submitted to the authority:~~

~~(A) A written notice of intent to apply for a federal launch site operator's license from the United States Secretary of Transportation under the authority of the Commercial Space Launch Act (49 U.S.C. Sec. 70101 and following), to be received by the authority no later than 60 days prior to the submission of the application to the United States Secretary of Transportation.~~

~~(B) A copy of the perfected application submitted to the United States Secretary of Transportation for a federal launch site operator's license.~~

~~(C) A written notice of acceptance or denial by the United States Secretary of Transportation for a federal launch site operator's license. If acceptance is granted, a copy of the license shall be included in the written notice.~~

~~(2) This subdivision shall not apply to any launch site operator who is federally licensed on or before January 1, 2001.~~

~~(d) The authority shall withdraw spaceport designation upon receipt of notice from the Federal Aviation Administration that the launch site operator of the spaceport no longer meets safety requirements or that safety deficiencies in the spaceport have~~

1 remained uncorrected for a reasonable period of time after being  
2 identified.

3 ~~13999.4. (a) The California Space Enterprise Competitive~~  
4 ~~Grant Program is hereby established within the Business,~~  
5 ~~Transportation and Housing Agency to provide funding, upon~~  
6 ~~appropriation by the Legislature, for the development of space~~  
7 ~~enterprise in California. For purposes of this section, space~~  
8 ~~enterprise activities shall include, but are not limited to, the~~  
9 ~~commercial use of space, space vehicle launches, space launch~~  
10 ~~infrastructure, manufacturing, applied research, technology~~  
11 ~~development, economic diversification, and business~~  
12 ~~development. Entities conducting activities in California intended~~  
13 ~~to improve the competitiveness of space enterprise in California,~~  
14 ~~including public, private, educational, commercial, nonprofit, or~~  
15 ~~for-profit entities may apply for grants.~~

16 ~~(b) (1) If program funding is appropriated by the Legislature,~~  
17 ~~the corporation selected pursuant to subdivision (c) of Section~~  
18 ~~13999.2 of this bill shall, at least annually, issue solicitations. No~~  
19 ~~solicitation shall be issued without the prior review and approval~~  
20 ~~by the agency. If the corporation has not issued a solicitation within~~  
21 ~~180 days of the appropriation of funds, the agency shall issue the~~  
22 ~~solicitation.~~

23 ~~(2) Solicitations developed by the corporation shall include~~  
24 ~~minimum eligibility and requirements. Additional requirements~~  
25 ~~may be added to each year's grant solicitation. The solicitation~~  
26 ~~shall address at least all of the following:~~

27 ~~(A) Jobs created and retained by the implementation of the~~  
28 ~~project.~~

29 ~~(B) Cost sharing by other project participants, which should~~  
30 ~~include at least one of the following:~~

31 ~~(i) A private sector company or companies.~~

32 ~~(ii) One or more foundations, industry associations, or~~  
33 ~~nonprofit cooperative associations, or any combination thereof.~~

34 ~~(iii) In-kind support, which may include staff and facilities.~~

35 ~~(iv) Federal or local government funding.~~

36 ~~(C) A condition that grant funds will not be used to supplant~~  
37 ~~other project funds.~~

38 ~~(D) A demonstration that a majority of the project will be~~  
39 ~~undertaken in California.~~

~~(E) An agreement among all project participants as to intellectual property rights relative to the project.~~

~~(F) The potential impact on the state's economy.~~

~~(G) The cost effectiveness of the project.~~

~~(H) The importance of state funding for the viability of the project.~~

~~(I) A demonstration of technical feasibility and an assessment of programmatic risk.~~

~~(c) In evaluating grant proposals, the corporation shall establish an impartial review panel composed of technical and scientific experts and government representatives to review grant applications. The panel shall be composed of members from throughout the state who are knowledgeable about activities related to space enterprise. No more than 30 percent of the panel members shall be government representatives, and all other members shall either be actively involved in, or be technical and scientific experts in activities related to, space enterprise. No more than 30 percent of the panel members shall be members of, or on the board of directors of, the corporation.~~

~~(d) (1) The review panel shall review all applications received by the deadline specified in the solicitation in order to determine the applications that are complete and that meet the criteria set forth in the solicitation. The review panel may rely on experts who are not part of the panel in order to determine compliance with one or more criteria.~~

~~(2) All applications meeting the criteria set forth in paragraph (1) shall be submitted to the agency.~~

~~(3) The agency may remove one or more applications from those submitted by the review panel upon a determination that the application did not meet the criteria set forth in paragraph (1). The agency shall rank the grant applications received from the review panel, minus any applications removed by the agency because of failure to meet the criteria. The ranking shall be based upon criteria stated in the solicitation. The ranking shall include recommendations as to the amount of state funding for each grant application.~~

~~(e) The secretary shall award program grants based upon the criteria set forth in paragraph (1) of subdivision (d).~~

~~(f) The funding determination shall be transmitted to the Governor and the chairpersons of the Senate and Assembly fiscal~~

1 ~~committees and shall be subject to the availability of funds~~  
2 ~~appropriated for that purpose.~~

3 ~~(g) The solicitation process set forth in this section shall not be~~  
4 ~~subject to Chapter 3.5 (commencing with Section 11340) of Part~~  
5 ~~4.~~

6 ~~(h) The Legislature hereby finds and declares that the granting~~  
7 ~~of funds to private entities serves a public purpose by assisting an~~  
8 ~~industry vital to the health and welfare of the State of California.~~

9 ~~SEC. 3.—~~

10 *SEC. 2. Section 63010 of the Government Code is amended to*  
11 *read:*

12 63010. For purposes of this division, the following words and  
13 terms shall have the following meanings unless the context clearly  
14 indicates or requires another or different meaning or intent:

15 (a) “Act” means the Bergeson-Peace Infrastructure and  
16 Economic Development Bank Act.

17 (b) “Bank” means the California Infrastructure and Economic  
18 Development Bank.

19 (c) “Board” or “bank board” means the Board of Directors of  
20 the California Infrastructure and Economic Development Bank.

21 (d) “Bond purchase agreement” means a contractual  
22 agreement executed between the bank and a sponsor, or a special  
23 purpose trust authorized by the bank or a sponsor, or both, whereby  
24 the bank or special purpose trust authorized by the bank agrees to  
25 purchase bonds of the sponsor for retention or sale.

26 (e) “Bonds” means bonds, including structured, senior, and  
27 subordinated bonds or other securities; loans; notes, including  
28 bond, revenue, tax or grant anticipation notes; commercial paper;  
29 floating rate and variable maturity securities; and any other  
30 evidences of indebtedness or ownership, including certificates of  
31 participation or beneficial interest, asset backed certificates, or  
32 lease-purchase or installment purchase agreements, whether  
33 taxable or excludable from gross income for federal income  
34 taxation purposes.

35 (f) “Cost,” as applied to a project or portion thereof financed  
36 under this division, means all or any part of the cost of  
37 construction, renovation, and acquisition of all lands, structures,  
38 real or personal property, rights, rights-of-way, franchises,  
39 licenses, easements, and interests acquired or used for a project;  
40 the cost of demolishing or removing any buildings or structures on

1 land so acquired, including the cost of acquiring any lands to which  
2 the buildings or structures may be moved; the cost of all  
3 machinery, equipment, and financing charges; interest prior to,  
4 during, and for a period after completion of construction,  
5 renovation, or acquisition, as determined by the bank; provisions  
6 for working capital; reserves for principal and interest and for  
7 extensions, enlargements, additions, replacements, renovations,  
8 and improvements; and the cost of architectural, engineering,  
9 financial and legal services, plans, specifications, estimates,  
10 administrative expenses, and other expenses necessary or  
11 incidental to determining the feasibility of any project or  
12 incidental to the construction, acquisition, or financing of any  
13 project, and transition costs in the case of an electrical corporation.

14 (g) “Economic development facilities” means real and  
15 personal property, structures, buildings, equipment, and  
16 supporting components thereof that are used to provide industrial,  
17 recreational, research, commercial, utility, or service enterprise  
18 facilities, community, educational, cultural, or social welfare  
19 facilities and any parts or combinations thereof, and all facilities  
20 or infrastructure necessary or desirable in connection therewith,  
21 including provision for working capital, but shall not include any  
22 housing.

23 (h) “Electrical corporation” has the meaning set forth in  
24 Section 218 of the Public Utilities Code.

25 (i) “Executive director” means the Executive Director of the  
26 California Infrastructure and Economic Development Bank  
27 appointed pursuant to Section 63021.

28 (j) “Financial assistance” in connection with a project,  
29 includes, but is not limited to, any combination of grants, loans, the  
30 proceeds of bonds issued by the bank or special purpose trust,  
31 insurance, guarantees or other credit enhancements or liquidity  
32 facilities, and contributions of money, property, labor, or other  
33 things of value, as may be approved by resolution of the board or  
34 the sponsor, or both; the purchase or retention of bank bonds, the  
35 bonds of a sponsor for their retention or for sale by the bank, or the  
36 issuance of bank bonds or the bonds of a special purpose trust used  
37 to fund the cost of a project for which a sponsor is directly or  
38 indirectly liable, including, but not limited to, bonds, the security  
39 for which is provided in whole or in part pursuant to the powers  
40 granted by Section 63025; bonds for which the bank has provided



1 a guarantee or enhancement, including, but not limited to, the  
2 purchase of the subordinated bonds of the sponsor, the  
3 subordinated bonds of a special purpose trust, or the retention of  
4 the subordinated bonds of the bank pursuant to Chapter 4  
5 (commencing with Section 63060); or any other type of assistance  
6 deemed appropriate by the bank or the sponsor, except that no  
7 direct loans shall be made to nonpublic entities other than in  
8 connection with the issuance of rate reduction bonds pursuant to  
9 a financing order or in connection with a financing for an  
10 economic development facility.

11 For purposes of this subdivision, “grant” does not include  
12 grants made by the bank except when acting as an agent or  
13 intermediary for the distribution or packaging of financing  
14 available from federal, private, or other public sources.

15 (k) “Financing order” has the meaning set forth in Section 840  
16 of the Public Utilities Code.

17 (l) “Guarantee trust fund” means the California Infrastructure  
18 Guarantee Trust Fund.

19 (m) “Infrastructure bank fund” means the California  
20 Infrastructure and Economic Development Bank Fund.

21 (n) “Loan agreement” means a contractual agreement  
22 executed between the bank or a special purpose trust and a sponsor  
23 that provides that the bank or special purpose trust will loan funds  
24 to the sponsor and that the sponsor will repay the principal and pay  
25 the interest and redemption premium, if any, on the loan.

26 (o) “Participating party” means any person, company,  
27 corporation, association, state or municipal governmental entity,  
28 partnership, firm, or other entity or group of entities, whether  
29 organized for profit or not for profit, engaged in business or  
30 operations within the state and that applies for financing from the  
31 bank in conjunction with a sponsor for the purpose of  
32 implementing a project. However, in the case of a project relating  
33 to the financing of transition costs or the acquisition of transition  
34 property, or both, on the request of an electrical corporation, or in  
35 connection with a financing for an economic development facility,  
36 or for the financing of insurance claims, the participating party  
37 shall be deemed to be the same entity as the sponsor for the  
38 financing.

39 (p) “Project” means designing, acquiring, planning,  
40 permitting, entitling, constructing, improving, extending,

1 restoring, financing, and generally developing public  
2 development facilities or economic development facilities within  
3 the state or financing transition costs or the acquisition of  
4 transition property, or both, upon approval of a financing order by  
5 the Public Utilities Commission, as provided in Article 5.5  
6 (commencing with Section 840) of Chapter 4 of Part 1 of Division  
7 1 of the Public Utilities Code.

8 (q) “Public development facilities” means real and personal  
9 property, structures, conveyances, equipment, thoroughfares,  
10 buildings, and supporting components thereof, excluding any  
11 housing, that are directly related to providing the following:

12 (1) “City streets” including any street, avenue, boulevard,  
13 road, parkway, drive, or other way that is any of the following:

14 (A) An existing municipal roadway.

15 (B) Is shown upon a plat approved pursuant to law and includes  
16 the land between the street lines, whether improved or  
17 unimproved, and may comprise pavement, bridges, shoulders,  
18 gutters, curbs, guardrails, sidewalks, parking areas, benches,  
19 fountains, plantings, lighting systems, and other areas within the  
20 street lines, as well as equipment and facilities used in the cleaning,  
21 grading, clearance, maintenance, and upkeep thereof.

22 (2) “County highways” including any county highway as  
23 defined in Section 25 of the Streets and Highways Code, that  
24 includes the land between the highway lines, whether improved or  
25 unimproved, and may comprise pavement, bridges, shoulders,  
26 gutters, curbs, guardrails, sidewalks, parking areas, benches,  
27 fountains, plantings, lighting systems, and other areas within the  
28 street lines, as well as equipment and facilities used in the cleaning,  
29 grading, clearance, maintenance, and upkeep thereof.

30 (3) “Drainage, water supply, and flood control” including, but  
31 not limited to, ditches, canals, levees, pumps, dams, conduits,  
32 pipes, storm sewers, and dikes necessary to keep or direct water  
33 away from people, equipment, buildings, and other protected areas  
34 as may be established by lawful authority, as well as the  
35 acquisition, improvement, maintenance, and management of  
36 floodplain areas and all equipment used in the maintenance and  
37 operation of the foregoing.

38 (4) “Educational facilities” including libraries, child care  
39 facilities, including, but not limited to, day care facilities, and  
40 employment training facilities.

1 (5) “Environmental mitigation measures” including required  
2 construction or modification of public infrastructure and purchase  
3 and installation of pollution control and noise abatement  
4 equipment.

5 (6) “Parks and recreational facilities” including local parks,  
6 recreational property and equipment, parkways and property.

7 (7) “Port facilities” including docks, harbors, ports of entry,  
8 piers, ships, small boat harbors and marinas, and any other  
9 facilities, additions, or improvements in connection therewith.

10 (8) “Power and communications” including facilities for the  
11 transmission or distribution of electrical energy, natural gas, and  
12 telephone and telecommunications service.

13 (9) “Public transit” including air and rail transport of goods,  
14 airports, guideways, vehicles, rights-of-way, passenger stations,  
15 maintenance and storage yards, and related structures, including  
16 public parking facilities, equipment used to provide or enhance  
17 transportation by bus, rail, ferry, or other conveyance, either  
18 publicly or privately owned, that provides to the public general or  
19 special service on a regular and continuing basis.

20 (10) “Sewage collection and treatment” including pipes,  
21 pumps, and conduits that collect wastewater from residential,  
22 manufacturing, and commercial establishments, the equipment,  
23 structures, and facilities used in treating wastewater to reduce or  
24 eliminate impurities or contaminants, and the facilities used in  
25 disposing of, or transporting, remaining sludge, as well as all  
26 equipment used in the maintenance and operation of the foregoing.

27 (11) “Solid waste collection and disposal” including vehicles,  
28 vehicle-compatible waste receptacles, transfer stations, recycling  
29 centers, sanitary landfills, and waste conversion facilities  
30 necessary to remove solid waste, except that which is hazardous  
31 as defined by law, from its point of origin.

32 (12) “Water treatment and distribution” including facilities in  
33 which water is purified and otherwise treated to meet residential,  
34 manufacturing, or commercial purposes and the conduits, pipes,  
35 and pumps that transport it to places of use.

36 (13) “Defense conversion” including, but not limited to,  
37 facilities necessary for successfully converting military bases  
38 consistent with an adopted base reuse plan.

(14) “Public safety facilities” including, but not limited to, police stations, fire stations, court buildings, jails, juvenile halls, and juvenile detention facilities.

(15) “State highways” including any state highway as described in Chapter 2 (commencing with Section 230) of Division 1 of the Streets and Highways Code, and the related components necessary for safe operation of the highway.

(16) (A) *Military infrastructure, including, but not limited to, facilities on or near a military installation, that enhance the military operations and mission of one or more military installations in this state. To be eligible for funding, the project shall be endorsed by the Office of Military and Aerospace Support established pursuant to Section 13998.2.*

(B) *For purposes of this subdivision, “military installation” means any facility under the jurisdiction of the Department of Defense, as defined in paragraph (1) of subsection (e) of Section 2687 of Title 10 of the United States Code.*

(r) “Rate reduction bonds” has the meaning set forth in Section 840 of the Public Utilities Code.

(s) “Revenues” means all receipts, purchase payments, loan repayments, lease payments, and all other income or receipts derived by the bank or a sponsor from the sale, lease, or other financing arrangement undertaken by the bank, a sponsor or a participating party, including, but not limited to, all receipts from a bond purchase agreement, and any income or revenue derived from the investment of any money in any fund or account of the bank or a sponsor and any receipts derived from transition property. Revenues shall not include moneys in the General Fund of the state.

(t) “Special purpose trust” means a trust, partnership, limited partnership, association, corporation, nonprofit corporation, or other entity authorized under the laws of the state to serve as an instrumentality of the state to accomplish public purposes and authorized by the bank to acquire, by purchase or otherwise, for retention or sale, the bonds of a sponsor or of the bank made or entered into pursuant to this division and to issue special purpose trust bonds or other obligations secured by these bonds or other sources of public or private revenues. Special purpose trust also means any entity authorized by the bank to acquire transition property or to issue rate reduction bonds, or both, subject to the

approvals by the bank and powers of the bank as are provided by the bank in its resolution authorizing the entity to issue rate reduction bonds.

(u) “Sponsor” means any subdivision of the state or local government including departments, agencies, commissions, cities, counties, nonprofit corporations formed on behalf of a sponsor, special districts, assessment districts, and joint powers authorities within the state or any combination of these subdivisions that makes an application to the bank for financial assistance in connection with a project in a manner prescribed by the bank. This definition shall not be construed to require that an applicant have an ownership interest in the project. In addition, an electrical corporation shall be deemed to be the sponsor as well as the participating party for any project relating to the financing of transition costs and the acquisition of transition property on the request of the electrical corporation and any person, company, corporation, partnership, firm, or other entity or group engaged in business or operation within the state that applies for financing of any economic development facility, shall be deemed to be the sponsor as well as the participating party for the project relating to the financing of that economic development facility.

(v) “State” means the State of California.

(w) “Transition costs” has the meaning set forth in Section 840 of the Public Utilities Code.

(x) “Transition property” has the meaning set forth in Section 840 of the Public Utilities Code.

SEC. 3. *Section 65053.5 of the Government Code is amended to read:*

65053.5. (a) As used in this article, the following terms have the following meaning:

(1) ~~“Military base” means a military installation or subinstallation in California, as defined by regulations of the Departments of Defense and the Army, Navy, Air Force, and Marines~~ *“installation” means a base, camp, post, station, yard, center, homeport facility for any ship, or other facility under the jurisdiction of the United States Department of Defense, as defined in paragraph (1) of subsection (e) of Section 2687 of Title 10 of the United States Code.*

(2) ~~“Affected local entity—government”~~ means any county or city *identified as* located wholly or partly within the boundaries of

1 a military ~~base~~ *installation* or *as* having a sphere of influence over  
2 any portion of the ~~base~~ *installation* with responsibility for local  
3 zoning and planning decisions.

4 (b) The Legislature hereby finds and declares ~~both~~ *all* of the  
5 following:

6 (1) Because of the tremendous economic impact that military  
7 ~~bases and Department of Defense facilities~~ *installations* have on  
8 the state, it is in the best interest of the state to facilitate their  
9 retention.

10 (2) It is the intent of the Legislature to encourage cooperation  
11 ~~between~~ *among* affected local entities in efforts to retain military  
12 ~~bases in this state. It is also the intent of the Legislature to authorize~~  
13 ~~affected local entities to enter into partnerships to engage in base~~  
14 ~~retention activities~~ *governments in their efforts to retain military*  
15 *installations in this state* by authorizing the creation of a joint  
16 powers authority pursuant to this section.

17 (3) *The Legislature also encourages affected local*  
18 *governments to engage other community-based organizations in*  
19 *their retention activities.*

20 (c) For the purposes of this article, a ~~single~~ local ~~base~~ retention  
21 ~~entity~~ *authority* shall be recognized for each *active* military ~~base~~  
22 *installation* in this state.

23 (d) A list of ~~entities~~ *retention authorities* or their successors,  
24 including, but not limited to, separate airport or port authorities  
25 recognized as the ~~single~~ local retention ~~entity~~ *authority* for the  
26 military ~~bases~~ *installations*, shall be maintained by the ~~California~~  
27 ~~Defense Retention and Conversion Council. Affected Office of~~  
28 *Military and Aerospace Support created pursuant to Section*  
29 *13998.2. If multiple affected local governments are identified for*  
30 *a military installation as described in paragraph (2) of subdivision*  
31 *(a), those affected counties and cities may* ~~also~~ *, by resolution,*  
32 *designate an existing joint powers authority or establish,* ~~by~~  
33 ~~resolution,~~ a joint powers authority for the purposes of this article  
34 pursuant to Chapter 5 (commencing with Section 6500) of  
35 Division 7 of Title 1, ~~if a single local retention entity cannot~~  
36 ~~otherwise be identified or established.~~

37 (e) The state shall recognize a ~~single~~ local retention ~~entity~~  
38 *authority* for each *active* military ~~base~~ *installation* if resolutions  
39 acknowledging the ~~entity~~ *authority* as the ~~single~~ local ~~base~~  
40 retention ~~entity~~ *authority* are adopted by ~~the affected~~ *all* county



~~boards of supervisors and the city council of each city located wholly or partly within the boundaries of the base or having a sphere of influence over any portion of the base councils identified as described in paragraph (2) of subdivision (a) and are forwarded to the California Defense Retention and Conversion Council, created pursuant to Article 3.6 (commencing with Section 15346) of Chapter 1 of Part 6.7 of Division 3 of Title 2 on or before July 1, 2002. If prior to January 1, 2002, a local entity was awarded grant moneys pursuant to Section 15346.10 for a specific military installation, the recipient entity shall be recognized by the state as the single local base retention entity unless resolutions acknowledging a separate entity are adopted by the affected county board of supervisors and the city council of each city located wholly or partly within the boundaries of the base or having a sphere of influence over any portion of the base and are forwarded to the California Defense Retention and Conversion Council Office of Military and Aerospace Support on or before October 1, 2004. If prior to January 1, 2004, a local government was awarded grant moneys pursuant to any predecessor to Section 13998.8 for a specific military installation and qualifies as an affected local government as described in paragraph (2) of subdivision (a), the recipient local government shall be recognized by the state as the local retention authority unless resolutions acknowledging a different authority are adopted by all county boards of supervisors and city councils identified as described in paragraph (2) of subdivision (a), and are forwarded to the Office of Military and Aerospace Support.~~

~~(f) If the necessary resolutions are not adopted within the time limit specified in subdivision (e), the California Defense Retention and Conversion Council shall appoint a neutral person or persons, with experience in local land use issues, as a mediator to facilitate communication between the disputants and assist them in reaching a mutually acceptable agreement.~~

~~(g) If the necessary resolutions are not adopted within the time limit specified in subdivision (e), the California Defense Retention and Conversion Council, as a last resort, and only if no recognition of a single local base retention entity is made pursuant to subdivision (f), shall hold public hearings and recognize a single local base retention entity for each military base or recommend legislation or action by the local agency formation commission if~~



1 ~~necessary to implement a proposed recognition~~ Office of Military  
2 ~~and Aerospace Support shall recognize a local retention authority~~  
3 ~~for each military installation.~~

4 SEC. 4. Section 65053.6 of the Government Code is amended  
5 to read:

6 65053.6. The ~~single local-base~~ retention authority shall be  
7 recognized by all state agencies as the ~~single-base~~ local retention  
8 planning authority for the ~~base-military installation~~. The state  
9 shall encourage the federal government and other local  
10 jurisdictions to recognize similarly the authorities designated  
11 pursuant to Section 65053.5 for the purposes of retention  
12 activities.

13 SEC. 5. Section 65302 of the Government Code is amended to  
14 read:

15 65302. The general plan shall consist of a statement of  
16 development policies and shall include a diagram or diagrams and  
17 text setting forth objectives, principles, standards, and plan  
18 proposals. The plan shall include the following elements:

19 (a) A land use element that designates the proposed general  
20 distribution and general location and extent of the uses of the land  
21 for housing, business, industry, open space, including agriculture,  
22 natural resources, recreation, and enjoyment of scenic beauty,  
23 education, public buildings and grounds, solid and liquid waste  
24 disposal facilities, and other categories of public and private uses  
25 of land. The land use element shall include a statement of the  
26 standards of population density and building intensity  
27 recommended for the various districts and other territory covered  
28 by the plan. The land use element shall identify areas covered by  
29 the plan which are subject to flooding and shall be reviewed  
30 annually with respect to those areas. The land use element shall  
31 also do both of the following:

32 (1) Designate in a land use category that provides for timber  
33 production those parcels of real property zoned for timberland  
34 production pursuant to the California Timberland Productivity  
35 Act of 1982, Chapter 6.7 (commencing with Section 51100) of  
36 Part 1 of Division 1 of Title 5.

37 (2) Consider the impact of new growth on military readiness  
38 activities carried out on military bases, installations, and operating  
39 and training areas, when proposing zoning ordinances or  
40 designating land uses covered by the general plan for land, or other

territory adjacent to military facilities, or underlying designated military aviation routes and airspace.

(A) In determining the impact of new growth on military readiness activities, information provided by military facilities shall be considered. Cities and counties shall address military impacts based on information ~~that~~ *from the military provides and other sources.*

(B) The following definitions govern this paragraph:

(i) “Military readiness activities” mean all of the following:

(I) Training, support, and operations that prepare the men and women of the military for combat.

(II) Operation, maintenance, and security of any military installation.

(III) Testing of military equipment, vehicles, weapons, and sensors for proper operation or suitability for combat use.

(ii) “Military installation” means a base, camp, post, station, yard, center, homeport facility for any ship, or other activity under the jurisdiction of the United States Department of Defense as defined in paragraph (1) of subsection (e) of Section 2687 of Title 10 of the United States Code.

(b) A circulation element consisting of the general location and extent of existing and proposed major thoroughfares, transportation routes, terminals, any military airports and ports, and other local public utilities and facilities, all correlated with the land use element of the plan.

(c) A housing element as provided in Article 10.6 (commencing with Section 65580).

(d) A conservation element for the conservation, development, and utilization of natural resources including water and its hydraulic force, forests, soils, rivers and other waters, harbors, fisheries, wildlife, minerals, and other natural resources. The conservation element shall consider the effect of development within the jurisdiction, as described in the land use element, on natural resources located on public lands, including military installations. That portion of the conservation element including waters shall be developed in coordination with any countywide water agency and with all district and city agencies that have developed, served, controlled or conserved water for any purpose for the county or city for which the plan is prepared. Coordination shall include the discussion and evaluation of any water supply and

1 demand information described in Section 65352.5, if that  
2 information has been submitted by the water agency to the city or  
3 county. The conservation element may also cover the following:

4 (1) The reclamation of land and waters.

5 (2) Prevention and control of the pollution of streams and other  
6 waters.

7 (3) Regulation of the use of land in stream channels and other  
8 areas required for the accomplishment of the conservation plan.

9 (4) Prevention, control, and correction of the erosion of soils,  
10 beaches, and shores.

11 (5) Protection of watersheds.

12 (6) The location, quantity and quality of the rock, sand and  
13 gravel resources.

14 (7) Flood control.

15 The conservation element shall be prepared and adopted no later  
16 than December 31, 1973.

17 (e) An open-space element as provided in Article 10.5  
18 (commencing with Section 65560).

19 (f) A noise element which shall identify and appraise noise  
20 problems in the community. The noise element shall recognize the  
21 guidelines established by the Office of Noise Control in the State  
22 Department of Health Services and shall analyze and quantify, to  
23 the extent practicable, as determined by the legislative body,  
24 current and projected noise levels for all of the following sources:

25 (1) Highways and freeways.

26 (2) Primary arterials and major local streets.

27 (3) Passenger and freight on-line railroad operations and  
28 ground rapid transit systems.

29 (4) Commercial, general aviation, heliport, helistop, and  
30 military airport operations, aircraft overflights, jet engine test  
31 stands, and all other ground facilities and maintenance functions  
32 related to airport operation.

33 (5) Local industrial plants, including, but not limited to,  
34 railroad classification yards.

35 (6) Other ground stationary noise sources, including, but not  
36 limited to, military installations, identified by local agencies as  
37 contributing to the community noise environment.

38 Noise contours shall be shown for all of these sources and stated  
39 in terms of community noise equivalent level (CNEL) or day-night  
40 average level ( $L_{dn}$ ). The noise contours shall be prepared on the

basis of noise monitoring or following generally accepted noise modeling techniques for the various sources identified in paragraphs (1) to (6), inclusive.

The noise contours shall be used as a guide for establishing a pattern of land uses in the land use element that minimizes the exposure of community residents to excessive noise.

The noise element shall include implementation measures and possible solutions that address existing and foreseeable noise problems, if any. The adopted noise element shall serve as a guideline for compliance with the state's noise insulation standards.

(g) A safety element for the protection of the community from any unreasonable risks associated with the effects of seismically induced surface rupture, ground shaking, ground failure, tsunami, seiche, and dam failure; slope instability leading to mudslides and landslides; subsidence, liquefaction and other seismic hazards identified pursuant to Chapter 7.8 (commencing with Section 2690) of the Public Resources Code, and other geologic hazards known to the legislative body; flooding; and wild land and urban fires. The safety element shall include mapping of known seismic and other geologic hazards. It shall also address evacuation routes, military installations, peakload water supply requirements, and minimum road widths and clearances around structures, as those items relate to identified fire and geologic hazards. Prior to the periodic review of its general plan and prior to preparing or revising its safety element, each city and county shall consult the Division of Mines and Geology of the Department of Conservation and the Office of Emergency Services for the purpose of including information known by and available to the department and the office required by this subdivision.

To the extent that a county's safety element is sufficiently detailed and contains appropriate policies and programs for adoption by a city, a city may adopt that portion of the county's safety element that pertains to the city's planning area in satisfaction of the requirement imposed by this subdivision.

At least 45 days prior to adoption or amendment of the safety element, each county and city shall submit to the Division of Mines and Geology of the Department of Conservation one copy of a draft of the safety element or amendment and any technical studies used for developing the safety element. The division may review

1 drafts submitted to it to determine whether they incorporate known  
2 seismic and other geologic hazard information, and report its  
3 findings to the planning agency within 30 days of receipt of the  
4 draft of the safety element or amendment pursuant to this  
5 subdivision. The legislative body shall consider the division's  
6 findings prior to final adoption of the safety element or  
7 amendment unless the division's findings are not available within  
8 the above prescribed time limits or unless the division has  
9 indicated to the city or county that the division will not review the  
10 safety element. If the division's findings are not available within  
11 those prescribed time limits, the legislative body may take the  
12 division's findings into consideration at the time it considers future  
13 amendments to the safety element. Each county and city shall  
14 provide the division with a copy of its adopted safety element or  
15 amendments. The division may review adopted safety elements or  
16 amendments and report its findings. All findings made by the  
17 division shall be advisory to the planning agency and legislative  
18 body.

19 *SEC. 6. Section 65560 of the Government Code is amended to*  
20 *read:*

21 65560. (a) "Local open-space plan" is the open-space  
22 element of a county or city general plan adopted by the board or  
23 council, either as the local open-space plan or as the interim local  
24 open-space plan adopted pursuant to Section 65563.

25 (b) "Open-space land" is any parcel or area of land or water  
26 that is essentially unimproved and devoted to an open-space use  
27 as defined in this section, and that is designated on a local, regional  
28 or state open-space plan as any of the following:

29 (1) Open space for the preservation of natural resources  
30 including, but not limited to, areas required for the preservation of  
31 plant and animal life, including habitat for fish and wildlife  
32 species; areas required for ecologic and other scientific study  
33 purposes; rivers, streams, bays and estuaries; ~~areas adjacent to~~  
34 ~~military installations, military training routes, and restricted~~  
35 ~~airspace that can provide additional buffer zones to military~~  
36 ~~activities and complement the resource values of the military~~  
37 ~~lands~~; and coastal beaches, lakeshores, banks of rivers and  
38 streams, and watershed lands.

39 (2) Open space used for the managed production of resources,  
40 including but not limited to, forest lands, rangeland, agricultural

lands and areas of economic importance for the production of food or fiber; areas required for recharge of ground water basins; bays, estuaries, marshes, rivers and streams which are important for the management of commercial fisheries; and areas containing major mineral deposits, including those in short supply.

(3) Open space for outdoor recreation, including but not limited to, areas of outstanding scenic, historic and cultural value; areas particularly suited for park and recreation purposes, including access to lakeshores, beaches, and rivers and streams; and areas which serve as links between major recreation and open-space reservations, including utility easements, banks of rivers and streams, trails, and scenic highway corridors.

(4) Open space for public health and safety, including, but not limited to, areas which require special management or regulation because of hazardous or special conditions such as earthquake fault zones, unstable soil areas, flood plains, watersheds, areas presenting high fire risks, areas required for the protection of water quality and water reservoirs and areas required for the protection and enhancement of air quality.

(5) *Open space in support of the mission of military installations that comprises areas adjacent to military installations, military training routes, and underlying restricted airspace that can provide additional buffer zones to military activities and complement the resource values of the military lands.*

SEC. 7. Part 14 (commencing with Section 37980) of Division 24 of the Health and Safety Code is repealed.

~~SEC. 4. Article 8 (commencing with Section 5079.70) is added to Chapter 1.1.5 of Division 5 of the Public Resources Code, to read:~~

~~Article 8.—The California Main Street Program~~

~~5079.70.—The Legislature finds and declares the following:~~

~~(a) The continued economic vitality of business districts in our state's smaller cities and the neighborhoods of larger urban and suburban cities are essential to community preservation, containment of sprawl, social cohesion, and economic growth.~~

~~(b) In recent years these central business districts have experienced economic difficulties due to shifting population~~

1 ~~bases, changes in the marketplace, and greater competition from~~  
2 ~~suburban shopping centers.~~

3 ~~(c) This decline has further eroded the ability of small~~  
4 ~~businesses and property owners to renovate and enhance their~~  
5 ~~commercial and residential properties.~~

6 ~~(d) Merchants in the smaller cities are also experiencing greater~~  
7 ~~difficulties in obtaining financial aid at reasonable interest rates,~~  
8 ~~thereby further inhibiting their ability to develop new business as~~  
9 ~~well as continue existing operations.~~

10 ~~(e) Neighborhood commercial areas in medium-sized and~~  
11 ~~larger cities need to maintain their local economies in order to~~  
12 ~~provide goods and services to adjacent residents, to provide~~  
13 ~~employment opportunities, and to avoid disinvestment and~~  
14 ~~economic dislocations.~~

15 ~~5079.71. (a) There is hereby transferred to the office the~~  
16 ~~California Main Street Program, formerly established in former~~  
17 ~~Chapter 8 (commencing with Section 15399) of Part 6.7 of~~  
18 ~~Division 3 of Title 2 of the Government Code to provide technical~~  
19 ~~assistance and training for small cities' government, business~~  
20 ~~organizations, and merchants and property owners to accomplish~~  
21 ~~community and economic revitalization and development of older~~  
22 ~~central and historic business districts and neighborhoods. The~~  
23 ~~program shall operate according to a plan developed by the office~~  
24 ~~with the assistance of all of the following:~~

25 ~~(1) Organizations representing merchants and governments of~~  
26 ~~small cities, historic preservation interests, financial institutions,~~  
27 ~~and economic development groups.~~

28 ~~(2) The California private industry councils.~~

29 ~~(3) The Office of Small Business, the Office of Business~~  
30 ~~Development, and the Small Business Development Center or~~  
31 ~~their successor agencies, if any are so designated.~~

32 ~~(4) The Department of Housing and Community~~  
33 ~~Development.~~

34 ~~(5) The chairpersons of the following committees of the~~  
35 ~~Legislature:~~

36 ~~(A) The Assembly Committee on Jobs, Economic~~  
37 ~~Development, and the Economy.~~

38 ~~(B) The Assembly Committee on Arts, Entertainment, Sports,~~  
39 ~~Tourism, and Internet Media.~~



~~(C) The Assembly Select Committee on Rural Economic Development.~~

~~(D) The Assembly Select Committee on Small Business.~~

~~(E) The Senate Committee on Housing and Community Development.~~

~~(F) The Senate Select Committee on Economic Development.~~

~~(G) The Senate Select Committee on Central Valley Economic Development.~~

~~(H) The Senate Select Committee on Urban Economic Development.~~

These chairpersons shall assist in the development of the plan to the extent that their participation is not incompatible with their positions as Members of the Legislature.

~~(6) The California Preservation Foundation.~~

~~(b) The office shall modify and expand the California Main Street Program plan pursuant to Chapter 1577 of the Statutes of 1985 to include program elements designed to assist merchants and residents in the neighborhoods of larger and medium-sized cities.~~

~~(c) In implementing this program the office shall employ the techniques developed by the National Trust of Historic Preservation's Main Street Center, which are designed to stimulate business reinvestment, restore building facades, retain existing small businesses, strengthen the local tax base, create employment opportunities, promote new businesses in downtown areas, and help to create a renewed sense of community pride. This program shall be a joint state, local government, and private sector partnership utilizing private and public financial resources.~~

~~5079.72. The plan required by Section 5079.71 shall describe the objectives and strategies of the California Main Street Program, how the program will be coordinated with existing federal, state, local, and private sector small business development and historic preservation efforts, the means by which private investments will be solicited and employed, and methods of selecting and providing assistance to participating and demonstration communities.~~

~~5079.73. In order to implement this program, the office shall do all of the following:~~

~~(a) Contract with the National Main Street Center of the National Trust for Historic Preservation to assist in accomplishing~~

1 the program's objectives, to provide technical assistance to the  
2 agency, and to assist in developing criteria for the selection of, and  
3 aid in selecting, the participating and demonstration communities.

4 (b) ~~Notwithstanding any hiring freeze under Part 2~~  
5 ~~(commencing with Section 18500) of Division 5 of Title 2 of the~~  
6 ~~Government Code, hire and employ a program manager. The~~  
7 ~~office shall also designate staff from within the office or~~  
8 ~~department.~~

9 (c) ~~Develop objective criteria for selecting the participating~~  
10 ~~and demonstration communities. The criteria shall include, but~~  
11 ~~shall not be limited to, all of the following:~~

12 (1) ~~Evidence of interest and commitment to downtown~~  
13 ~~economic development and historic preservation by both the~~  
14 ~~private and public sectors.~~

15 (2) ~~Evidence of potential private investment in the downtown~~  
16 ~~area.~~

17 (3) ~~A downtown with sufficient historic fabric to become a~~  
18 ~~foundation for an enhanced community image.~~

19 (4) ~~Organization and financial commitment to implement a~~  
20 ~~long-term economic revitalization program that includes a~~  
21 ~~commitment to employ a full-time, professional project manager~~  
22 ~~with an operating budget.~~

23 (d) ~~Devise a method of inviting eligible communities to submit~~  
24 ~~applications, select demonstration communities, and additional~~  
25 ~~participating communities in subsequent years.~~

26 (e) ~~Include in the program, in addition to the demonstration~~  
27 ~~communities, any city that has on the effective date of this chapter~~  
28 ~~a contract with the National Trust's Main Street Center for a local~~  
29 ~~main street program.~~

30 5079.74. ~~The program established pursuant to Chapter 1577~~  
31 ~~of the Statutes of 1985 shall continue to provide services to cities~~  
32 ~~with populations of less than 50,000. There shall be three pilot~~  
33 ~~programs for cities with the following characteristics:~~

34 (a) ~~For cities with populations in excess of 50,000 but less than~~  
35 ~~200,000.~~

36 (b) ~~For cities with populations of 200,000 or more but less than~~  
37 ~~400,000.~~

38 (c) ~~For cities with a population of 400,000 or more.~~

1 ~~5079.75.— In order to reduce costs to the state, the office shall~~  
2 ~~include in the plan a means to solicit private contributions for state~~  
3 ~~and local operations of the program.~~

4 ~~5079.76.— There is hereby established in the State Treasury the~~  
5 ~~California Main Street Program Fund. All private contributions,~~  
6 ~~federal funds, and fees for services, if levied, shall be deposited~~  
7 ~~into the fund for the operation of the program. The California Main~~  
8 ~~Street Alliance may accept private contributions and federal funds~~  
9 ~~for purposes of contributing those funds to the California Main~~  
10 ~~Street Program Fund for the operation of the program.~~

11 ~~5079.77.— The office shall include in its annual report to the~~  
12 ~~Legislature a special report on the effectiveness of this program.~~

13 ~~SEC. 5.—~~

14 ~~SEC. 8. Section 8 of Chapter 971 of the Statutes of 2002 is~~  
15 ~~amended to read:~~

16 ~~Sec. 8. (a)—A city or county shall not be required to comply~~  
17 ~~with the amendments made by this act to Sections 65302, 65302.3,~~  
18 ~~65560, and 65583 of the Government Code, relating to military~~  
19 ~~readiness activities, military personnel, military airports, and~~  
20 ~~military installations, until both of the following occur:~~

21 ~~(1) An agreement is entered into between the United States~~  
22 ~~Department of Defense or other federal agency and the State of~~  
23 ~~California, through the Governor's Office of Planning and~~  
24 ~~Research, for the federal government to fully reimburse all claims~~  
25 ~~approved by the Commission on State Mandates and paid by the~~  
26 ~~Controller that cities and counties would be eligible to file as a~~  
27 ~~result of the enactment of this act.~~

28 ~~(2) The city or county undertakes its next general plan revision.~~

29 ~~(b) The amendments made by this act to Sections 65302,~~  
30 ~~65302.2, 65560, and 65583 of the Government Code shall become~~  
31 ~~inoperative on the January 1 following the date that the Director~~  
32 ~~of Planning and Research executes a declaration stating that the~~  
33 ~~agreement described in paragraph (1) of subdivision (a) has been~~  
34 ~~terminated by either party—~~*the city or county undertakes its next*  
35 *general plan revision.*

36 ~~SEC. 9. Paragraph 4.5 of Item 2240-001-0001 of Section 2.00~~  
37 ~~of the Budget Act of 2004 2003 (Chapter 157 of the Statutes of~~  
38 ~~2003) is hereby revised so that the sum of one hundred eighty~~  
39 ~~thousand dollars (\$180,000) designated for military base reuse and~~  
40 ~~retention is not appropriated to the Department of Housing and~~

1 Community Development, but this amount is instead appropriated  
2 from the General Fund to the ~~Department of General Services for~~  
3 ~~the Business, Transportation and Housing Agency for the~~  
4 implementation of the Office of Military and Aerospace Support  
5 operations.

6 ~~SEC. 6.—The Business, Transportation and Housing Agency is~~  
7 ~~authorized to enter into an interagency agreement with any other~~  
8 ~~state agency as deemed necessary to administer the programs set~~  
9 ~~forth in Section 1.~~

10 ~~SEC. 7.—The sum of one hundred twenty-six thousand dollars~~  
11 ~~(\$126,000) is hereby appropriated from the General Fund to the~~  
12 ~~Office of Historic Preservation of the Department of Parks and~~  
13 ~~Recreation for the purpose of employing a program manager for~~  
14 ~~the California Main Street Program pursuant to Section 5079.73~~  
15 ~~of the Public Resources Code.~~

16 ~~SEC. 8.—~~

17 *SEC. 10.* This act is an urgency statute necessary for the  
18 immediate preservation of the public peace, health, or safety  
19 within the meaning of Article IV of the Constitution and shall go  
20 into immediate effect. The facts constituting the necessity are:

21 In order to enable the Office of Military *and Aerospace* Support  
22 to accept private funds at the earliest possible date, and to provide  
23 continuity in the technical assistance and training for small cities  
24 to accomplish community and economic revitalization and  
25 development, it is necessary that this act take effect immediately.